

1 Adopt 2 Cal. Code Regs. Section 18537.1:

2 **18537.1. Carry Over of Contributions.** [DECISION POINT CA-1; OPTION C]

3 (a) For purposes of Government Code section 85317 and this regulation, “carry
4 over” refers to the movement of campaign funds to the candidate’s controlled committee
5 established for a subsequent election to the same elective state office without attribution
6 as required by Government Code section 85306(a). [DECISION POINT CONF-1]
7 [The term “carry over” also includes campaign funds held in a candidate’s controlled
8 committee that is redesignated for a subsequent election to the same elective state office
9 pursuant to 2 Cal. Code Regs. section 18521.]

10 (b) Campaign funds are available to be “carried over” pursuant to Government
11 Code section 85317 and this regulation only if all of the following apply:

12 (1) The funds to be “carried over” are held in a campaign bank account/campaign
13 committee established (or redesignated) for an election to elective state office occurring
14 on or after January 1, 2001, or for candidates for statewide elective office, for an election
15 occurring on or after November 6, 2002;

16 (2) The campaign bank account/campaign committee that is holding the funds to
17 be “carried over” was established for an election that has already been held;

18 (3) The campaign bank account/campaign committee that is holding the funds to
19 be “carried over” does not have “net debt outstanding” as defined in 2 Cal. Code Regs.
20 section 18531.6(d). A committee cannot “carry over” funds if the committee has net debt
21 outstanding at the time of carry over; and

22 (4) The funds to be “carried over” are not considered “surplus campaign funds”
23 as defined in Government Code section 89519.

1 (c) “Subsequent election for the same elective state office” means the election to
2 the next term of office immediately following the election/term of office for which the
3 funds were raised.

4 **[DECISION POINT CA-2]** (d) A candidate who withdraws from an election
5 prior to an election being held may [not “carry over” campaign funds, but may transfer
6 with attribution pursuant to Government Code section 85306][“carry over” campaign
7 funds in compliance with subdivision (b) above. The candidate must wait until after the
8 election occurs].

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10 NOTE: Authority cited: Section 83112, Government Code.

11 Reference: Sections 84214, 85200, 85201, 85306, 85316 and 85317, Government Code.